

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6408

BILL NUMBER: HB 1672

NOTE PREPARED: Dec 6, 2002

BILL AMENDED:

SUBJECT: Eligibility for solid waste benefits.

FIRST AUTHOR: Rep. Mangus

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill removes a municipality from eligibility for certain state and local financial benefits if the municipality disposes of more than 25% by weight of its municipal solid waste: (1) outside Indiana; or (2) outside the solid waste management district in which the municipality is located, if a solid waste landfill is also located in the district.

Effective Date: January 1, 2004.

Explanation of State Expenditures: The state may experience a decrease in the amount of funds requested for local use if certain municipalities are ineligible. It is not known how many municipalities would be affected by the proposal.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: Under the proposal a municipality may no longer be eligible for funding from the state Hazardous Substances Response Trust Fund and the Solid Waste Management Fund. Additionally, the municipality may not be eligible for funding from district solid waste management funds. Affected municipalities would see a decrease in revenues. The number of municipalities affected is not known. Consequently, the local impact is indeterminable.

Background Information on the Dedicated Funds:

Hazardous Substances Response Trust Fund: IC 13-25-4 established the Hazardous Substances Response Trust Fund to accumulate and maintain a source of money for providing state assistance to prevent the release of a hazardous substance or contaminant; or control, contain, isolate, neutralize, remove, store, or dispose of any hazardous substance or contaminant already released into or on the air, land, or waters of Indiana. Money in the fund at the end of a state fiscal year does not revert to the state General Fund.

Hazardous Substances Response Trust Fund Revenue	FY 1998	\$3,570,007
	FY 1999	\$3,029,581
	FY 2000	\$1,469,052
	FY 2001	\$3,643,426
	FY 2002	\$2,272,699

Hazardous Substances Response Trust Fund as of June 30, 2002.	
Cash:	\$1,727,074
Investments:	\$17,919,010
Total Assets of the Fund as of June 30, 2002:	\$19,646,084
Encumbrances:	\$409,529
Fund Balance:	\$19,236,555
Reversions FY 2002:	\$2,969,835
Obligations Identified by IDEM: Maintenance costs for all state Superfund sites.	N/A

State Solid Waste Management Fund: IC 13-20-22 established the State Solid Waste Management Fund to provide money for programs that promote recycling and the use of recycled materials; waste reduction; and management of yard waste. The fund also provides grants to implement household hazardous waste source reduction or recycling projects.

State Solid Waste Management Fund Revenue	FY 1998	\$2,310,731
	FY 1999	\$3,029,581
	FY 2000	\$2,253,673
	FY 2001	\$2,163,412
	FY 2002	\$2,256,577

State Solid Waste Management Fund.	Fund. 2530
Cash:	\$3,538,462
Investments:	\$0
Total Assets of the Permit Operations Fund as of June 30, 2002:	\$3,538,462
Encumbrances:	\$0
Fund Balance:	\$3,538,462
Reversions FY 2002:	\$954,716
Obligations Identified by IDEM: Grants	\$1,395,062

State Agencies Affected: Department of Environmental Management, Hazardous Substances Response Trust Fund, and the Solid Waste Management Fund.

Local Agencies Affected: Municipalities and Solid Waste Management Districts.

Information Sources: Auditor of State.

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